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IN THE

Supreme Court of the United States

OCTOBER TERM, 1950

FORREST H. SMITH, *et al.*,

Petitioners,

vs.

FLORENCE-MAYO NUWAY COMPANY, *et al.*,

Respondents.

PETITION FOR WRIT OF CERTIORARI AND BRIEF IN SUPPORT THEREOF

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PETITION FOR WRIT OF CERTIORARI

TO THE HONORABLE, THE CHIEF JUSTICE AND ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE UNITED STATES:

Your petitioners, Forrest H. Smith, *et al.*, pray that a writ of certiorari issue to the United States Court of Appeals for the Fourth Circuit to review the judgment of that court in this cause filed June 2, 1950 (Appellees' App. 30). A petition for rehearing was denied on July 5, 1950 (Appellees' App. 55).

A certified transcript of the record in this case, including the proceedings in the Court of Appeals, is furnished herewith in compliance with Rule 38 of the Rules of this Court.

Summary Statement of the Matter Involved

This action arose as an action by petitioners in the United States District Court for the Eastern District of North Carolina, charging respondents with infringement of claims 1, 2 and 7 of petitioners' patent No. 2,051,348, dated August 18, 1936, relating to drying houses for curing tobacco.

On December 20, 1949, after a trial on the merits, judgment was entered (Appellants' App. 1) dismissing the complaint. No opinion was filed by the District Court, but Findings of Fact (Appellants' App. 2) and Conclusions of Law (Appellants' App. 9) were entered wherein the lower Court held, *inter alia,* that claims 1 and 2 were invalid because they failed to define invention over the prior art, and that claims 2 and 7 were limited by the inclusion of elements not contained in the defendants' structure and were therefore not infringed.

The Court of Appeals for the Fourth Circuit on appeal did not affirm the District Court's holding that claims 1 and 2 were invalid, and did not affirm the District Court's holding that claim 7 included limitations not present in defendants' structure. Instead, on its own initiative, and unsupported by the findings of the lower Court, the Court of Appeals held that the patent in suit was limited to the precise arrangement of heating units shown and described in the drawings and specification, and that when so construed, was not infringed.

The ruling of the Court of Appeals for the Fourth Circuit is clearly contrary to the ruling of this Court in *Graver Tank & Mfg. Co., Inc.* v. *Linde Air Products Co.,* 339 U. S. 605. The ruling is particularly without merit in the present case because the evidence is conclusive that the patentee was the first to produce a *successful* apparatus for curing tobacco by the open-flame method, and that the disclosure of his patent was in fact copied by the defendant with those minor variations in detail which this Court in the above mentioned decision commented on as rarely absent in the infringer's structure.

> *Graver Tank & Mfg. Co., Inc., et al.* v. *Linde Air Products Co.,* 339 U. S. 605, 607:
>
> "But courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the pro-

tection of the patent grant into a hollow and useless thing. Such a limitation would leave room for—indeed encourage—the unscrupulous copyist to make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim, and hence outside the reach of law. One who seeks to pirate an invention, like one who seeks to pirate a copyrighted book or play, may be expected to introduce minor variations to conceal and shelter the piracy. Outright and forthright duplication is a dull and very rare type of infringement. To prohibit no other would place the inventor at the mercy of verbalism and would be subordinating substance to form. It would deprive him of the benefit of his invention and would foster concealment rather than disclosure of inventions, which is one of the primary purposes of the patent system."

The patent in suit (Appellants' App. 120) discloses an apparatus for curing tobacco wherein the products of combustion from a large number of small independent oil burners are mixed with air drawn into the barn through appropriate openings and are so arranged that the mixture of gases through the natural laws of convection, passes upwardly through the overhanging tobacco to the discharge outlets in the roof. At the time plaintiff introduced his invention to the public by advertisements, public demonstrations, etc., the universal method of curing tobacco then employed was the "flue system" wherein heat is radiated from the hot metal surfaces of flues heated by furnaces, the products of combustion being confined in the flues and discharged to an outside chimney.

The patent in suit shows two alternate arrangements of heaters. In the preferred arrangement each burner has its separate hood, while in the alternate arrangement a common hood is provided for several aligned burners. Somewhat more than a year after the patentee introduced

his patented apparatus in the preferred form to the public, the defendant Mayo, who resides in the same section of North Carolina, brought out *his* apparatus employing the alternate arrangement described in the Smith patent, namely, the arrangement of a number of burners in line under a common hood.

Mayo introduced one innovation in his installation not found in the Smith patent. Instead of introducing the air for admixture with the flue gases through holes in the barn walls adjacent the location of the burners, he employed pipes leading from the holes in the barn walls to the hoods of the burners whereby the air was mixed with the products of combustion under the hoods instead of in the space surrounding the hoods. Mayo secured a patent of later date on this addition to the Smith patent.

A former employee of the Mayo Company, one Hardy, went in business for himself putting out an imitation of the Mayo apparatus, air pipe and all, and was sued by Mayo. The Court of Appeals for the Fourth Circuit found the Mayo patent valid on the ground that Mayo was the first to solve the problem of open-flame curing of tobacco; that in so doing he had satisfied a long-felt want, and that his patent was entitled to a liberal construction.

> *Florence-Mayo Nuway Co.* v. *Hardy, et al.*, 168 F. 2d 778, 780 (C. C. A. 4):
>
> "In the 1930s, as wood became scarce in the tobacco growing section of the Carolinas and Virginia, attempts were made to heat tobacco barns by the use of oil as a fuel; and the Mayo patent was directed to the use of oil for this purpose in the conventional type of tobacco barns. It unquestionably solved the problems presented in a way so satisfactory that it entered into immediate use and the manufacture of the heating devices of the patent enjoyed wide commercial success. Fifteen thousand of these devices

were sold within the course of a few years for around a million and a half dollars.

* * * * *

Practical raisers and curers of tobacco began using it to such an extent that the old devices ceased to be sold. Even if this be explained in part by changes in fuel supply and trade conditions, the fact remains that Mayo had furnished a practical solution to the problems which these changes presented."

In the Mayo case evidence of Smith's *prior* solution of that problem and his successful commercial exploitation of open-flame curing systems was not submitted. Indeed, it was asserted that no one prior to Mayo had succeeded.

In the case at bar the real facts were brought into evidence. It was proven, and not denied by Mayo, that the admission of air to the hood which the Court of Appeals for the Fourth Circuit was led to believe constituted the solution of the problem, had no effect on the operation, and that the prior Smith installations where the air was admitted adjacent the location of the burners but not under the burners, effected precisely the same curing of the tobacco. The Court of Appeals for the Fourth Circuit took occasion in their opinion in the case at bar to comment on this deception that had been practiced in the Mayo-Hardy case.

Smith, et al. v. *Florence-Mayo Nuway Co., et al.*, 182 F. 2d 507, 510:

"Since the Florence-Mayo Nuway Co. is a party to this suit, we think it not inappropriate to say that, in the light of the record here, the Mayo patent is not entitled to the liberal treatment of a pioneer patent, as indicated by our opinion in 168 F. 2d 778, but *like the Smith patent here should be treated as a mere improvement patent in a crowded field with a very narrow range of equivalents.* The majority of

> the court does not question the correctness of the decision holding the patent valid and infringed against the device of Hardy, which was a mere Chinese copy; but the evidence in the record before us shows clearly that the Mayo patent was not a pioneer patent and was not the first to achieve commercial success in the heating of tobacco barns with open flame oil burners, as we were then led to believe. Its monopoly is limited, therefore, *just as is the monopoly of the Smith patent, to the exact combination which it discloses.* Smith and Mayo seem to be in consimili casu in the light of the record in this case; and we feel that this should be made clear, so that no advantage may be taken of the fact that the court was misled by the undisputed evidence in the record in the former case into believing that Mayo was the first to solve the problem presented and the first to achieve commercial success. The evidence in the present case shows that up to the trial 14,350 of the Smith devices had been sold for $2,252,500." (Italics ours.)

The statements emphasized in the above quoted matter can only be characterized as incomprehensible. In the Mayo-Hardy case, where there was no evidence of Smith's prior operations, Mayo was found to be "a pioneer" in the field. That same field is in this opinion, on the same record of paper patents, characterized as "a crowded field" prior to Smith. The uncontradicted evidence of all the witnesses, including representatives of the Department of Agriculture of North Carolina and Virginia, is that when the Smith apparatus was introduced there were no other open-flame systems in existence.

Certain prior patents before the Court in both cases, namely, Mims (Appellants' App. 181), Brock (Appellants' App. 175) and Reynolds (Appellants' App. 191) disclose the *idea* of using open-flame oil burners in tobacco barns for curing tobacco. In all these prior

patents the heat is supplied by high pressure burners in the middle of the barn, so Smith limited his claims to burners located adjacent the walls of the barn. The claims so limited were allowed. In the patent drawings (Appellants' App. 120) fifteen individual burners are shown arranged in five groups of three each, one group in the center of the barn and the other four groups closely adjacent the walls of the barn—so close, in fact, that were the patent drawings regarded as dimensional drawings, a serious fire hazard would be incurred. In the Smith commercial installation, twenty burners are used (in a 16½ x 16½ barn) instead of the fifteen disclosed in the patent, the burners being arranged in four evenly spaced rows (Appellants' App. 34) with the hoods of the burners in the outer rows and the end burners in each row about one foot from the barn walls (Appellants' App. 73).

Mayo uses twenty-four burners in a 16 x 16 barn, usually in four groups of six burners each. A single hood in each instance is supplied to each group of burners.

The burners in each group of the Mayo structure are arranged in a row attached to a common feed pipe and the rows of burners instead of being so arranged that the *sides* of the hoods are parallel, respectively, with the four walls of the barn have the *ends* of the hoods spaced one foot from the side walls of the barn, the space under each hood being connected to the air intake openings in the wall of the barn by means of short pipe sections (see Appellants' Exhs. M, N, O and S, pp. 134-142 Appellants' App.).

The uncontradicted evidence is that in the sense of the patent the burners in the commercial installations of the parties are "adjacent" the walls of the barn in that they are near enough for the natural convection currents to produce a uniform distribution of the heated gases around the walls of the barn, as distinguished from the proposed structures of the prior art wherein the combustion gases are generated solely in the middle of the

barn. The patent structure and the commercial installations of both parties embody a large number of small burners, some of which are near the walls of the barn and some of which are near the middle of the barn. The prior patents disclose either a single burner, or a single group of three burners at the middle of the barn and no burners adjacent the walls of the barn. The limitation to burners "adjacent the walls of the barn" excludes the prior art disclosures but does not limit the claims to a particular number of burners at a particular distance from the walls, but includes all arrangements wherein a sufficient number of burners are close enough to the barn walls to accomplish the desired result which is not obtained by the prior arrangements.

The Court of Appeals attempts to support its holding that the patent in suit is limited to the "exact combination which it discloses" by reference to the proceedings in the reissue application and the co-pending application wherein the patentee was denied broader claims—*not limited to burners adjacent the barn walls.* As the patent in suit with the claims here in issue was granted prior to the proceedings referred to, such proceedings can manifestly in nowise affect the construction to be given these previously granted claims. Obviously also the validity or invalidity of claims *not* containing the limitation in question has no bearing on the construction to be placed on that limitation. As pointed out in the appended brief, all the cases cited by the Court of Appeals in support of its reference to the reissue application relate to the ordinary case of "file wrapper estoppel."

Jurisdiction

The jurisdiction of this Court is invoked under Sec. 240(a) of the Judicial Code as amended by the act of June 25, 1948, c. 646 (28 U. S. Code, Sec. 1254).

The judgment of the Court of Appeals for the Fourth Circuit which petitioners seek to have reviewed was entered on June 2, 1950 (Appellees' App. 30) and petition for rehearing denied on July 5, 1950 (Appellees' App. 55).

The Questions Presented

1. Whether or not patent claims are to be construed as limited to the exact construction shown and described so as to exclude from the scope of the patent apparatus which accomplishes the same result by the same or equivalent means.

2. Whether or not a patent on a commercially successful apparatus which solved a problem of long standing is to be given a liberal construction so as to include within its scope the device of an imitator who appropriates the substance of the invention and makes "unimportant and insubstantial changes and substitutions" (*Graver* v. *Linde, supra*) where such changes are not definitely excluded by the claim language.

Reasons for Granting the Writ

The "doctrine of equivalents" reasserted by this Court in *Graver* v. *Linde, supra,* is of the utmost importance in the proper administration of patents. There are, and should be, no exceptions to the rule. There are no circumstances under which a patentee may have a valid patent and yet be denied all range of equivalents. If the prior art discloses apparatus which accomplishes the same result by the same or equivalent means there is no ground for a valid grant. On the other hand, if the patentee's structure constitutes a significant contribution to the arts and claims are granted with limitations which exclude the prior disclosures, such limitations should not be so narrowly construed as to exclude also the imitator's structure which embodies the substance of the patentee's structure and secures the same result by equivalent means.

WHEREFORE YOUR PETITIONERS respectfully pray that a writ of certiorari be issued to the United States Court of Appeals for the Fourth Circuit to the end that this cause may be reviewed and determined by this Court; that the judgment of the Court of Appeals for the Fourth Circuit be reversed; and that petitioners be granted such other and further relief as may be proper.

CLARENCE M. FISHER,
W. BROWN MORTON,
Counsel for Petitioners.

New York, September 29, 1950.

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

Opinion of the Courts Below

No opinion was handed down by the District Court. Its Findings of Fact and Conclusions of Law appear on pages 2 to 10 of the Appellants' Appendix. The opinion of the Court of Appeals for the Fourth Circuit, Circuit Judges Parker, Soper and Dobie (written by Judge Parker) appears at page 24 of the Appellees' Appendix and is reported in 182 F. 2d 507.

Jurisdiction

The jurisdictional statement appears in the accompanying petition.

Statement of the Case

The essential facts of the case are stated in the accompanying petition and need not be related here.

Specification of Errors

The Court of Appeals for the Fourth Circuit erred:

1. In holding that "the monopoly of the Smith patent," (here in suit) is limited "to the exact combination which it discloses".

2. In holding that the Smith patent in suit is not infringed by the Mayo installations.

3. In holding that the construction of the claims of the original Smith patent here in suit is affected by the refusal of broader claims in the application for the reissue of that patent and in the later filed companion application.

ARGUMENT

1

As pointed out in the foregoing petition the ruling of the Court of Appeals of the Fourth Circuit that the Smith patent is limited to the exact combination which it discloses is contrary to the ruling of this Court in *Graver* v. *Linde,* 339 U. S. 605. The Smith patent in suit discloses the first successful installation for curing tobacco by the open flame method. The claims are therefore entitled to a liberal construction. (*Morley Sewing Machine Co.* v. *Lancaster,* 129 U. S. 263, 273).

None of the conditions is present in the case at bar which justifies a strict interpretation of the patent claims. The prior patents presented in support of the defense of invalidity are in substance the same as those fully considered by the Patent Office in granting the patent.

The language selected to differentiate the patented structure from the prior art structure was not intended to express a difference in degree, but a difference in kind. In the prior art structures, the one, two or three burners are located in the middle of the barn. The Smith patent discloses three burners in the middle of the barn, but it also discloses twelve additional burners located adjacent the walls of the barn. The limitation of the claims to burners adjacent the walls of the barn was intended to identify these burners and include them in the claims, and thereby distinguish the claims from the prior art wherein such burners were absent. To read the term "adjacent" as limited to the particular arrangement of burners with relation to the barn walls disclosed in the patent would not be justified even were the Smith apparatus merely an improvement on apparatus already successfully used for curing tobacco by the open flame method.

The ruling of the Court of Appeals that the limitation to burners adjacent the walls excludes the defendants' structure finds no support in the Findings of the lower Court.

The lower Court held that claim 2 was not infringed because limited to the "screens" and that claim 7 was not infringed because limited to "baffle means comprising perforate and imperforate portions". It is to be assumed that if the lower Court found also that the claims were not infringed because limited "to burners adjacent to the walls", a finding to that effect would have been included. In view of the fact that there was no adverse finding on the question of whether or not the burners were adjacent the walls of the barn in the infringing structure the ruling of the lower Court on this point was considered as favorable to appellants.

Even if the patentee be put "at the mercy of verbalism" (*Graver Tank & Mfg. Co.* v. *Linde Air Products Co., supra*) in construing his claims, claim 1 cannot be construed as limited to the exact arrangement shown in the patent drawings. Claims 2 and 7 describe the burners as "a plurality of spaced independent fuel-burning heating units located within the house and arranged in series *extending substantially around and* adjacent the walls thereof" (Italics added). The italicized words are omitted from claim 1 and under the well established doctrine that a limitation present in one claim and omitted from another may not be added to the other claim by construction, claim 1 must be given a broader interpretation than claims 2 and 7. In other words, if the italicized words are read as limiting claims 2 and 7 to the precise arrangement of aligned burners parallel with the barn walls as illustrated in the patent drawings, claim 1 cannot be construed as limited to that parallel arrangement.

2

The claims are infringed by the Mayo installations. The Smith commercial installation for a small barn consists of twenty individual oil-burning heaters, each with its individual hood, arranged in four rows of five burners each, the hoods of the fourteen outside burners being spaced about one foot from the barn walls. This is substantially the arrangement disclosed in Fig. 1 of the patent drawings which shows the preferred arrangement except that a few more burners are employed in practice and in the patent there is but one row of burners across the middle of the barn instead of two. Also in the patent drawings, if they be regarded as dimensional drawings, the distance between the burners and the walls of the barn is less than one foot. Patent drawings, however, are not dimensional drawings and quite obviously if the burners were closer to the barn walls than one foot a serious fire hazard would be involved in case the burners flared up, as they sometimes do (Appellants' App. 66).

In the Mayo commercial installations the burners are arranged in groups of four or six under a common hood for each group, as decribed in the patent in suit as an alternate arrangement (p. 3, col. 1, ll. 21, *et seq.* of the patent specification, Appellants' App. 120). The groups of aligned burners in the Mayo commercial installations are arranged with their ends adjacent the barn walls at the same one-foot distance from the walls. The witness Blackburn, who compared a Smith commercial installation with a Mayo commercial installation at the farm of the witness Gray, found that the heat distribution from the two installations was essentially the same and that in both cases a "blanket of heat" (Appellants' App. 73-79) was maintained against the side walls of the barn and that a uniform temperature was thus maintained throughout the barn space. There was no evidence to the contrary. In fact, the defendant, Mayo Co., claims as one

of the advantages of its open flame installation that it does in fact maintain a uniform temperature throughout the barn. It is thus conclusively established that the defendant's apparatus accomplishes the same result as the patented apparatus by the same or equivalent means.

The Court of Appeals for the Fourth Circuit in holding that the word "adjacent" in the patent claims excluded the Mayo construction disregarded the ordinary literal meaning of the word itself. The claims cannot be construed *in vacuo* without regard to the nature of the apparatus to which they are directed. "Adjacent" does not mean any particular distance in feet or inches, but such nearness as is necessary to accomplish the intended purpose. A person is adjacent the fire if he is near enough to be warmed by the fire. On the other hand, a tea kettle is adjacent the fire only if it is near enough for the water in the tea kettle to be heated to the desired temperature for making tea. "Adjacent" in one case would mean a much smaller distance than in the other. In the curing of tobacco, as explained by the witness, the burners must be near enough to the barn walls to blanket the walls with hot gases. The uncontradicted testimony is that the Mayo installation and the Smith installation functioned alike in this regard.

There is nothing in the prior art which justifies a more limited construction than the term "adjacent". The open flame curers of the prior art are disclosed in the three paper patents to Mims, Reynolds and Brock. In all these installations the burners—one, or three in number—are high intensity burners located in the middle of the barn. They were cited by the Examiner in the prosecution of the application for the patent here in suit and the claims including the expression "adjacent the walls of the barn" were allowed. So construing the claims in the light of the Patent Office proceedings, as they should be, they mean an arrangement of burners near the walls of the barn, as distinguished from an arrange-

ment of burners in the center of the barn. In the Mayo construction all the heated gases developed by half the burners are discharged into areas nearer the walls of the barn than the middle of the barn, and half the combustion gases from the remaining burners are likewise discharged in areas nearer the walls of the barn than the center of the barn. The distribution of the hot gases between the center and walls is almost precisely the same as in the patent in suit, where all the gases from one-fifth of the burners are discharged in the center of the barn and all the gases from the balance of the burners are discharged around the walls of the barn.

3

The refusal of broader claims in the reissue application and companion application has no bearing on the previously granted claims of the patent in suit.

The claims here in suit were already granted at the time of the reissue application and the companion application. The reissue was not sought to alter these claims but to obtain additional claims. When the patentee abandoned his reissue application he merely took back what he already had. He could have taken back these claims even though the Patent Office in the reissue application had held that they were anticipated—which, however, the Patent Office did not.

By the reissue and companion applications the applicant sought (1) an additional claim defining the arrangement of the burners, not in terms of the walls of the barn, but in terms of the heat distribution; and (2) a claim to the nature of the burners themselves, namely, doll size burners in a room of ordinary size. The patentee failed to get this additional protection, but that fact is pertinent to the proceedings here only under the Biblical doctrine that "to him that hath shall be given, and from him that hath not even that which he hath shall be taken away".

The authorities cited by the Court of Appeals in support of its findings that the reissue proceedings are pertinent to the interpretation of the claims, do not support the Court's position. In *Altoona Theatres* v. *Tri-Ergon,* 294 U. S. 477, the claims in issue were not the original claims of the patent but were claims limited by disclaimer and the Court held that the rule of file wrapper estoppel applied to the same extent as though the claims had been limited or abandoned in the original application. There was no reissue application in *Keystone Driller Co.* v. *Northwest Engineering Corp.,* 294 U. S. 42. That case merely states the ordinary well established rule of file wrapper estoppel. The same is true of *Smith* v. *Magic City Kennel Club,* 282 U. S. 784.

Conclusion

The ruling of the Court of Appeals for the Fourth Circuit that the Smith patent in suit is in the same category as it now places the Mayo patent is incomprehensible. In the Mayo-Hardy case the Court of Appeals accorded the successful curing of tobacco by the open flame method the status of a pioneer invention. There is nothing in the record of the case at bar to alter that decision. Substantially the same prior art was cited in both cases. The record here shows that Smith, and not Mayo, is the pioneer inventor.

WHEREFORE, petitioners earnestly pray that this petition for writ of certiorari be granted, the cause reviewed, and the decree of the Court of Appeals for the Fourth Circuit reversed.

Respectfully submitted,

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Dated: New York, N. Y., September 29, 1950.